

DECLASSIFIED
PA/HO Department of State
E.O. 12958, as amended
June 21, 2006

NP, NSC, CF, ME, Dran, Box 602, Vol. IV, 84 9/1171-4/73

NATIONAL SECURITY COUNCIL

ACTION

8291X



December 1, 1972

MEMORANDUM FOR:

MULTIM

DR. KISSINGER

FROM:

HAROLD H. SAUNDERS

SUBJECT:

Replacement Aircraft for Iran

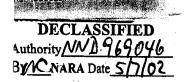
Ambassador Farland has sent the back-channel message at Tab B simply calling your attention to the latest cable traffic on the question of how we provide Iran with replacements for those 36 F-5A aircraft which the Shah agreed to have sent to Southeast Asia.

At Tab A is a suggested brief reply. I believe the replacement package is now well in hand after one bad start by State and Defense. A telegram awaiting Secretary Laird's final clearance contains a good offer for the Shah consisting of the final points:

- --We would advance from next November to next June the beginning of delivery of 32 F-5E's earlier ordered by Iran. The delivery would be completed by the end of 1973--seven months ahead of schedule. Thus, by the end of 1973 the Shah will have directly replaced those aircraft which he gave up with a newer model. As soon as this new model comes off our production line in February or March, we would invite Iranian experts to come over and participate in the initial testing here to familiarize themselves as soon as possible.
- --To help further in bolstering his defenses during that interim period, we would (a) lease eight F-4's from USAF inventory and (b) earmark two USAF squadrons (32 aircraft) for immediate delivery to Iran on lease in case of need. In addition, these two squadrons could be rotated through Iran on training assignments during this period to make visible their availability if the Shah wished.
- --We have already turned over to Iran without cost to them eight F-4!s which have been in Iran on lease. This would provide financial compensation for the transferred aircraft.

XGDS - 3
DECLAS - Date impossible to determine.
BYAUTH - Major General Alexander M. Haig, Jr.





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- --We would accelerate by three months delivery of his own F-4's to begin next August rather than next November.
- --We have increased the number of training spots available in US schools for Iranian officers and pilots as requested by the Shah.
- --We would tell the Shah that his new F-4's will be equipped with the Maverick missile which he has requested.

With the addition of the leased and earmarked aircraft, I think we can feel that we have made a satisfactory offer to help the Shah cover whatever gap may have been created in his air defenses by the release of the thirty-two F-5A's.

RECOMMENDATION: That you approve dispatch of the brief reply to Farland at Tab A. It tells him that a much better package is on the way.

Approve \_\_\_\_\_Other